

Senate Engrossed House Bill

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

CHAPTER 238

HOUSE BILL 2612

AN ACT

ESTABLISHING PROCEDURES PROVIDING FOR SCHOOL DISTRICT BUDGET MISCALCULATION
CORRECTION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. School district budget overexpenditures; correction;
3 interest

4 A. Notwithstanding sections 15-905 and 15-915, Arizona Revised
5 Statutes, a school district that overexpended its budget during fiscal years
6 2004-2005 and 2005-2006 shall be required to correct these overexpenditures
7 plus any overexpenditures for fiscal year 2006-2007 over a five-year period
8 beginning in fiscal year 2007-2008 and ending in fiscal year 2011-2012 if all
9 of the following conditions exist:

10 1. The school district is an elementary school district that is
11 located in a county with a population that exceeds one million five hundred
12 thousand persons.

13 2. The school district's student count for the 2006-2007 school year
14 was more than one thousand three hundred pupils and less than one thousand
15 eight hundred pupils.

16 3. The total amount of the correction that would otherwise be required
17 under section 15-915, Arizona Revised Statutes, for fiscal year 2004-2005 is
18 more than six thousand dollars but less than ten thousand dollars.

19 4. The total amount of the correction that would otherwise be required
20 under section 15-915, Arizona Revised Statutes, for fiscal year 2005-2006 is
21 more than seven hundred thousand dollars but less than one million one
22 hundred thousand dollars.

23 B. In addition to monies required to be repaid pursuant to subsection
24 A of this section, accrued interest is required to be paid at a rate
25 determined by the superintendent of public instruction.

26 Sec. 2. School districts; immediate receivership

27 The state board of education shall immediately appoint a receiver
28 pursuant to section 15-103, Arizona Revised Statutes, for any school district
29 that uses the provisions of section 1 of this act, relating to school
30 district budget correction procedures.

31 Sec. 3. Reporting; school district overexpenditures

32 The department of education shall submit a report on or before December
33 15 of each year that lists each school district that overexpends its budget
34 in the prior fiscal year and the amount of the overexpenditure by funding
35 source to the governor, the president of the senate and the speaker of the
36 house of representatives. A copy of the report shall be delivered to the
37 secretary of state and the director of the Arizona state library, archives
38 and public records.

39 Sec. 4. Emergency

40 This act is an emergency measure that is necessary to preserve the
41 public peace, health or safety and is operative immediately as provided by
42 law.

~~APPROVED BY THE GOVERNOR JUNE 1, 2007.~~

~~FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 1, 2007.~~